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MEMORANDUM FOR: Deputy Director (Plans)

SUBJECT : Budget for Fiscal Years 1961 and 1962

1. For several years it has been the joint objective of the offices in your area and the Comptroller's Office to keep the number of financial exercises to the bare minimum necessary to meet the budgetary and management requirements of the Agency. One approach in achieving this objective has been the coordination of your program planning exercises with the Agency budget exercises. This effort has resulted in considerable savings in time and manpower in two ways. First, program plans have been made within known total financial resources, thus holding future adjustments to the minimum. Second, the program plans have been prepared in sufficient project detail to satisfy the requirements for information to use in making the Agency budget presentation and other related negotiations with the Bureau of the Budget and the Congress.

2. It is our understanding that instructions for the preparation of operational programs for Fiscal Years 1961 and 1962 have been issued. In view of the importance of having the Agency's budget and/or accounting procedures tie in with program changes, if possible, the Comptroller's Office would like to review the new procedure and requirements for presentation of the Fiscal Years 1961 and 1962 programs. As in the past, the Comptroller's Office desires to cooperate to the fullest extent in developing the best basis for the preparation and submission of Agency budget estimates as well as to provide a basis for the furnishing of information in response to inquiries in connection with our budget.

3. As you know, the operations people normally refer to the operational programs to justify and explain their budgets. Therefore, it is essential that the program documents and the budget be coordinated insofar as practical. Experience in attempting to explain the Agency needs has indicated the necessity of very close collaboration in this area and, as you have experienced, the operational program information has been used very effectively in the support of the budget presentations. Thus, we believe it essential that changes in your program be incorporated into the budget process.

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4. In a similar manner a great deal of difficulty has been encountered in attempting to explain what had occurred in prior years until such time as we had our accounts coordinated with the general budget presentation. Thus, it is desirable to incorporate into the budget and financial accounts those additional classifications, if any, or other changes which will provide us a basis for furnishing accounting information of value.

5. With the above objectives in mind and to form a basis for further discussions on this subject with members of your Staff, it is desired that four (4) copies of the operational program instructions be furnished to the Office of the Comptroller. He would also appreciate a designation by you of the individuals which you would like to assign to work with us in developing any changes which would be appropriate in our budget and accounting classifications.

E. R. SAUNDERS
Comptroller

ERS:epr

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